

STATE OF DELAWARE
DEPARTMENT OF FINANCE
DIVISION OF REVENUE
601 DELAWARE AVENUE
WILMINGTON, DELAWARE 19899

TAX NEWSGRAM 74-8

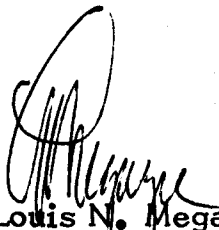
October 31, 1974

- Wholesalers License Tax - Aggregate Gross Receipts

On October 22, 1974, the Superior Court of the State of Delaware issued its decision in the case of R. Baylin & Company v. Director of Revenue (5383 Civil Action 1973), affirming the decision of the Tax Appeal Board and upholding the position of the Division of Revenue.

The issue presented in this case was whether the amount of the State Cigarette taxes paid and the amount of the commission paid to the affixing agent should be excluded from the "aggregate gross receipts" of a cigarette wholesaler for purposes of computing the wholesalers license tax liability imposed by Chapter 29, Title 30, Delaware Code.

The court held that under the statutory provisions the amounts in question were includible in the tax base, and that it was not the intention of the Legislature to exclude such amounts. The court also held that the tax did not violate Section 1, Article 8 of the Delaware Constitution which provides that all taxes must be uniform upon the same class of subjects.



Louis N. Megargee
Director of Revenue

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